

**A RESOLUTION OF THE COMMON COUNCIL  
FINDING THAT CERTAIN CAPITAL IMPROVEMENTS  
AND LAND ACQUISITIONS ARE NOT CONTROLLED PROJECTS  
SUBJECT TO THE REQUIREMENTS OF IND. CODE 6-1.1-20, AS AMENDED**

**WHEREAS**, the Common Council (the "Council") of the City of Fort Wayne, Indiana (the "City"), believes a need exists to (i) improve and expand the Wallace and Murray Streets facility, (ii) acquire and renovate a new site for the Animal Control Department, (iii) construct two new fire stations, (iv) construct and install an 800 MHz communications system for public safety use, and (v) acquire land for future capital projects, all as previously presented to the Council (collectively, the "Project"); and

**WHEREAS**, the costs of the Project, including all of the costs incurred in connection with financing the Project, are estimated not to exceed \$16,000,000; and

**WHEREAS**, the Council desires to finance all or a portion of the Project by entering into one or more leases with a qualified lessor in accordance with IND. CODE 36-1-10, as amended (collectively, the "Lease"), with an aggregate maximum lease rental not to exceed \$2,182,000, with any one lease not exceeding a term of ten years, as described more fully in Attachment 3 and Attachment 4 of Exhibit A attached hereto, which lease rentals will be payable by the City from a portion of the annual levy it collects and deposits into its General Fund (the "General Fund") and its Fire Fund (the "Fire Fund") (the General Fund and the Fire Fund, collectively, the "Funds"), backed by a pledge by the City to levy property taxes that are exempt from the levy limitations of IND. CODE 6-1.1-18.5 to pay lease rentals under the Lease if available money in the Funds are insufficient for such purpose; and

1                   **WHEREAS**, the City projects it will have money in the Funds available to pay lease rentals on  
2                   the Lease in the amounts set forth on Attachment 4 of Exhibit A attached hereto, for the  
3                   next ten years, beginning in 1998, which provides a minimum coverage of available  
4                   money in the Funds in an amount equal to 604.88%, as provided in more detail on  
5                   Attachment 4 of Exhibit A attached hereto. Based on these calculations, the City  
6                   reasonably expects to pay lease rental payments under the Lease from funds other  
7                   than property taxes that are exempt from levy limitations of IND. CODE 6-1.1-18.5,  
8                   even though the City will pledge to levy property taxes to pay lease rentals under the  
9                   Lease if those funds are insufficient.

10  
11                   **NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF**  
12                   **FORT WAYNE, INDIANA AS FOLLOWS:**

13  
14                   **SECTION 1.**     The information set forth on Exhibit A attached hereto is hereby accepted and  
15                   approved.

16  
17                   **SECTION 2.**    The Council finds that the City reasonably expects to pay lease rental  
18                   payments under the Lease from funds other than property taxes that are exempt from  
19                   the levy limitations of IND. CODE 6-1.1-18.5, even though the City will pledge to levy  
20                   property taxes to pay lease rentals under the Lease if those funds are insufficient.  
21                   Accordingly, the requirements imposed by IND. CODE 6-1.1-20 are hereby waived  
22                   pursuant to the powers authorized to the Council under IND. CODE 6-1.1-20-1.1.

**SECTION 3.** The Mayor is hereby authorized to petition the State Board of Tax Commissioners to confirm the finding of the Council set forth in Section 2 of these resolutions.

**SECTION 4.** Any officer of the City be, and hereby is, authorized and directed to take any action as such officer deems necessary or desirable to effectuate the foregoing resolutions, and any such actions heretofore taken be, and hereby are, ratified and approved.

John W. Chapin  
Council Member

APPROVED AS TO FORM AND LEGALITY

J. Timothy McCaulay  
J. Timothy McCaulay, City Attorney



**Exhibit A**

**CITY OF FORT WAYNE**  
Fort Wayne, Indiana

Proposed Financing  
Levy Analysis

**CITY OF FORT WAYNE**  
Fort Wayne, Indiana

**Summary of Significant Assumptions**

The City of Fort Wayne is considering lease financings for several capital improvements. These projects include improvements to the Wallace and Murray Streets facilities, land acquisition, construction of new fire stations, structural renovation for an animal control building and the purchase and installation of an 800 MHz communications system. Due to the favorable relationship between the City's actual and maximum levies, the source of payment for the lease rentals would be from a portion of the annual property tax levy in the general and fire funds of the City. The proposed financing would still have the back-up of a pledge by the City to levy property taxes that are exempt from levy controls (debt service levies) should monies in the general and fire funds be insufficient for such purpose.

Certain assumptions have been utilized in this Report and are discussed below:

1. All projects are assumed to be financed concurrently over a ten year period. This would result in a \$16,000,000 bond issue which would fund \$15,000,000 in capital improvements including contingencies, \$680,000 in capitalized interest through January 1, 1998 and costs of issuance and financing expenses assumed to be 2% of the par value of the bonds. The bonds are assumed to carry a 6% interest rate. Lease payments are assumed to begin with the July, 1998 debt service payment. Estimated annual lease payments, for purposes of this exhibit, are based on annual debt service which has been rounded to the next highest \$1,000 and increased by \$5,000 for administrative expenses. This scenario exerts the greatest pressure on the budget controls.
2. The City's maximum levy is assumed to increase at the statutory minimum of 5% per year over the projection period.
3. The City's estimated levy subject to controls is assumed to increase at 5% per year over the projection period.

**CITY OF FORT WAYNE**  
Fort Wayne, Indiana

Sources and Uses of Funds

Sources:

Par Value of Bonds	<u>\$16,000,000</u>
Total	<u><u>\$16,000,000</u></u>

Uses:

Project Fund	\$15,000,000
Capitalized Interest	677,333
Cost of Issuance and Underwriting	<u>322,667</u>
Total	<u><u>\$16,000,000</u></u>

**CITY OF FORT WAYNE**  
Fort Wayne, Indiana  
Debt Service Schedule

Dated Date	5/1/97
Delivery Date	5/1/97

<u>Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
7/15/97			\$ 197,333.33	\$ 197,333.33	
1/15/98	\$ -	6.00%	480,000.00	480,000.00	\$ 677,333.33
7/15/98			480,000.00	480,000.00	
1/15/99	1,215,000.00	6.00%	480,000.00	1,695,000.00	2,175,000.00
7/15/99			443,550.00	443,550.00	
1/15/00	1,285,000.00	6.00%	443,550.00	1,728,550.00	2,172,100.00
7/15/00			405,000.00	405,000.00	
1/15/01	1,365,000.00	6.00%	405,000.00	1,770,000.00	2,175,000.00
7/15/01			364,050.00	364,050.00	
1/15/02	1,445,000.00	6.00%	364,050.00	1,809,050.00	2,173,100.00
7/15/02			320,700.00	320,700.00	
1/15/03	1,535,000.00	6.00%	320,700.00	1,855,700.00	2,176,400.00
7/15/03			274,650.00	274,650.00	
1/15/04	1,625,000.00	6.00%	274,650.00	1,899,650.00	2,174,300.00
7/15/04			225,900.00	225,900.00	
1/15/05	1,720,000.00	6.00%	225,900.00	1,945,900.00	2,171,800.00
7/15/05			174,300.00	174,300.00	
1/15/06	1,825,000.00	6.00%	174,300.00	1,999,300.00	2,173,600.00
7/15/06			119,550.00	119,550.00	
1/15/07	1,935,000.00	6.00%	119,550.00	2,054,550.00	2,174,100.00
7/15/07			61,500.00	61,500.00	
1/15/08	2,050,000.00	6.00%	61,500.00	2,111,500.00	2,173,000.00
Totals	\$ 16,000,000.00		\$ 6,415,733.33	\$ 22,415,733.33	



**CITY OF FORT WAYNE**  
Fort Wayne, Indiana

Anticipated Levy Compared to the  
Estimated Maximum Levy

Collection Year	Estimated Levy Subject to Control	Plus: Annual Lease Payment	Total Estimated Levy Subject to Control	Estimated Maximum Levy	Percentage of Maximum Levy to Anticipated Levy
1997	\$ 47,692,084	\$ -	\$ 47,692,084	\$ 60,250,489	126.33 %
1998	50,076,688	2,180,000	52,256,688	63,263,013	121.06
1999	52,580,522	2,178,000	54,758,522	66,426,164	121.31
2000	55,209,548	2,180,000	57,389,548	69,747,472	121.53
2001	57,970,025	2,179,000	60,149,025	73,234,846	121.76
2002	60,868,526	2,182,000	63,050,526	76,896,588	121.96
2003	63,911,952	2,180,000	66,091,952	80,741,417	122.17
2004	67,107,550	2,177,000	69,284,550	84,778,488	122.36
2005	70,462,928	2,179,000	72,641,928	89,017,412	122.54
2006	73,986,074	2,180,000	76,166,074	93,468,283	122.72
2007	77,685,378	2,178,000	79,863,378	98,141,697	122.89
2008	81,569,647		81,569,647	103,048,782	126.33
	<u>\$ 759,120,922</u>	<u>\$ 21,793,000</u>	<u>\$ 780,913,922</u>	<u>\$ 959,014,651</u>	



**CITY OF FORT WAYNE**  
Fort Wayne, Indiana

Estimated Available Levy

Collection Year	Estimated Levy Subject to Control	Plus: Annual Lease Payment	Total		Estimated Maximum Levy	Estimated Available Levy	Levy Coverage
			Estimated Levy Subject to Control	Estimated Levy Subject to Control			
1997	\$ 47,692,084	\$ -	\$ 47,692,084	\$ 47,692,084	\$ 60,250,489	\$ 12,558,405	- %
1998	50,076,688	2,180,000	52,256,688	52,256,688	63,263,013	13,186,325	604.88
1999	52,580,522	2,178,000	54,758,522	54,758,522	66,426,164	13,845,642	635.70
2000	55,209,548	2,180,000	57,389,548	57,389,548	69,747,472	14,537,924	666.88
2001	57,970,025	2,179,000	60,149,025	60,149,025	73,234,846	15,264,821	700.54
2002	60,868,526	2,182,000	63,050,526	63,050,526	76,896,588	16,028,062	734.56
2003	63,911,952	2,180,000	66,091,952	66,091,952	80,741,417	16,829,465	771.99
2004	67,107,550	2,177,000	69,284,550	69,284,550	84,778,488	17,670,938	811.71
2005	70,462,928	2,179,000	72,641,928	72,641,928	89,017,412	18,554,484	851.51
2006	73,986,074	2,180,000	76,166,074	76,166,074	93,468,283	19,482,209	893.68
2007	77,685,378	2,178,000	79,863,378	79,863,378	98,141,697	20,456,319	939.22
2008	81,569,647	-	81,569,647	81,569,647	103,048,782	21,479,135	
	<u>\$ 759,120,922</u>	<u>\$ 21,793,000</u>	<u>\$ 780,913,922</u>	<u>\$ 780,913,922</u>	<u>\$ 959,014,651</u>	<u>\$ 199,893,729</u>	

Read the first time in full and on motion by Crawford,  
and duly adopted, read the second time by title and referred to the  
Committee on Finance (and the City Plan Commission  
for recommendation) and Public Hearing to be held after due legal notice, at  
the Common Council Council Conference Room 128, City-County Building, Fort  
Wayne, Indiana, on \_\_\_\_\_, 19\_\_\_\_, the \_\_\_\_\_ day of  
\_\_\_\_\_, M., E.S.T. \_\_\_\_\_, at \_\_\_\_\_ o'clock

DATED: 2-11-97

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Crawford,  
and duly adopted, placed on its passage. PASSED LOST  
by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT:
TOTAL VOTES	<u>5</u>	<u>2</u>		<u>2</u>
BENDER	<u>✓</u>			
CRAWFORD	<u>✓</u>			
EDMONDS		<u>✓</u>		
HALL	<u>✓</u>			
HAYHURST		<u>✓</u>		
HENRY	<u>✓</u>			
LUNSEY	<u>✓</u>			
RAVINE				<u>✓</u>
SCHMIDT				<u>✓</u>

DATED: 2-25-97

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,  
Indiana, as (ANNEXATION) \_\_\_\_\_ (APPROPRIATION) \_\_\_\_\_ (GENERAL)

(SPECIAL) \_\_\_\_\_ (ZONING) \_\_\_\_\_ ORDINANCE RESOLUTION NO. 09-08-97  
on the 25th day of February, 19 97

ATTEST:

(SEAL)

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Thomas C. Helmke  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on  
the 26th day of February, 19 97,  
at the hour of 11:00 o'clock A. M., E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 2nd day of March,  
19 97, at the hour of 4:45 o'clock P. M., E.S.T.

PAUL HELMKE  
PAUL HELMKE, MAYOR



To: Members of City Council

From: Kathy Friend, City Controller *KF*

Date: February 10, 1997

RE: 1997 Lease for Capital Projects

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During the 1997 budget process there was discussion regarding building projects that would be financed using a lease or bond. The budget was passed with payments anticipated during 1997 on such financing. Those buildings included an Animal Control facility, renovation of buildings at the Wallace Street complex and two fire stations. Council also passed a reimbursement resolution so that work could begin on these projects prior to the finalization of the leasing arrangements.

Attached is a resolution stating that Council expects future lease payments to be paid from the property tax and that it can be done within the expected future maximum levy. This allows the City to proceed with the next step of the financing, which is to petition the State Board of Tax Commissioners to confirm this finding. With the State Board of Tax Commissioners approval, the City will be able to proceed immediately with the financing arrangements.



DIGEST SHEET

TITLE OF ORDINANCE      RESOLUTION

DEPARTMENT REQUESTING ORDINANCE      CONTROLLER'S OFFICE

SYNOPSIS OF ORDINANCE      APPROVES RESOLUTION TO FINANCE THE FOLLOWING PROJECTS  
THROUGH A \$16,000,000 BOND ISSUE: (1) IMPROVE AND EXPAND THE WALLACE AND MURRAY  
STREETS FACILITY, (2) ACQUIRE AND RENOVATE A NEW SITE FOR THE ANIMAL CONTROL  
DEPARTMENT, (3) CONSTRUCT TWO NEW FIRE STATIONS, (4) CONSTRUCT AND INSTALL AN 800  
MHZ COMMUNICATIONS SYSTEM FOR PUBLIC SAFETY USE, AND (5) ACQUIRE LAND FOR FUTURE  
CAPITAL PROJECTS.

EFFECT OF PASSAGE      RESOLUTION IS APPROVED.

EFFECT OF NON-PASSAGE      PROJECTS CANNOT BE COMPLETED.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) \_\_\_\_\_

ASSIGNED TO COMMITTEE (PRESIDENT) \_\_\_\_\_

BILL NO. R-97-02-07

REPORT OF THE COMMITTEE ON FINANCE

JOHN N. CRAWFORD - DONALD J. SCHMIDT - CO-CHAIR  
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM  
WAS REFERRED AN (~~ORDINANCE~~) (RESOLUTION) of the Common Council  
finding that certain capital improvements and land acquisitions are not  
controlled projects subject to the requirements of Ind. Code 6-1.1-20,  
AS AMENDED

HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION  
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID  
(~~ORDINANCE~~) (RESOLUTION) \_\_\_\_\_

DO PASS

DO NOT PASS

ABSTAIN

NO REC

*[Signature]*  
*[Signature]*  
*[Signature]*

*[Signature]*  
*[Signature]*

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DATED: 2-25-97.

Sandra E. Kennedy  
City Clerk